

15 FAM 400 REAL PROPERTY ACQUISITION ABROAD

15 FAM 410 GENERAL POLICY AND SCOPE

*(CT:OBO-1; 04-29-2005)
(Office of Origin: OBO)*

15 FAM 411 AUTHORITY AND SCOPE

15 FAM 411.1 Authority

*(CT:OBO-1; 04-29-2005)
(Uniform State/USAID/Commerce/Agriculture/DIA)*

The Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292 - 302), and the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2396).

15 FAM 411.2 Scope

*(CT:OBO-1; 04-29-2005)
(Uniform State/USAID/Commerce/Agriculture/DIA)*

This subchapter applies to the acquisition of real property abroad, in the name of the United States Government, by purchase, exchange, gift, and long-term lease (LTL), for use as office, functional, and/or residential space by the Department of State, the Foreign Affairs Agencies, and other U.S. Government agencies represented at post and their employees. LTLs are treated as acquisitions for purposes of programming, authorization, and funding; however, the leasing regulations of 15 FAM 300 govern the documentation required for LTL proposals and the lease contract. Procedures to implement these regulations are found in 15 FAM 432 through 15 FAM 460. Questions or comments on these regulations or procedures may be directed to the Real Estate and Property Management Office in the Bureau of Overseas Buildings Operations (OBO/REPM) for State or the Overseas Management Support Division in the Bureau for Management, USAID/Washington (USAID/W - M/OMS) for USAID.

15 FAM 412 POLICY

15 FAM 412.1 General

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

- a. U.S. Government-owned property allows the post stability, flexibility, and cost control. However, large initial outlays of funds are necessary when the U.S. Government purchases real property, and the benefits of leasing versus purchasing have to be weighed carefully.
- b. Only the Department of State and the U.S. Agency for International Development (USAID) are authorized to buy real property abroad for diplomatic use. Posts shall not take independent action on real property acquisition matters. The Bureau of Overseas Buildings Operations (OBO) or the Overseas Management Support Division in the Bureau for Management, USAID/Washington (USAID/W - M/OMS) must oversee all negotiations for the acquisition of real property.

15 FAM 412.2 Residences with Swimming Pools

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

- a. Except as noted herein, the Department of State neither constructs nor acquires residences with swimming pools:
 - (1) The Department may explicitly seek out for purchase, or cause to have constructed, residences with swimming pools for the use of the ambassador, deputy chief of mission (DCM), consul general (CG), where principal officer (PO), and Marine security guards;
 - (2) The post may recommend purchase of a residential property with a swimming pool in cases where residential properties that would be considered appropriate for possible acquisition by the U.S. Government come equipped with swimming pools as a result of the country's climate, culture, or other factors.
- b. Posts recommending purchase of a residential property with a pool must provide required justification (see 15 FAM 432.2). The decision to purchase will be based on a financial analysis that takes into consideration the appraised value, comparable prices for similar properties (with and without pools), and the present value of the property versus rental cost.
- c. Posts may not require owners to install swimming pools as a condition of, or prerequisite to, purchase. Installation of a swimming pool by the post is considered a minor improvement, subject to the policy and procedures

of 15 FAM 600.

15 FAM 412.3 USAID Acquisition of Property

(CT:OBO-1; 04-29-2005)

(USAID only)

USAID is authorized under Section 636(c) of the Foreign Assistance Act of 1961, as amended, to purchase, construct, or long-term lease living quarters, office space, and necessary supporting facilities when a USAID mission's basic requirements cannot be met by short-term leasing or by use of U.S. or cooperating-country government property available to USAID. (See 15 FAM 460 for conditions and limitations on USAID authority.)

15 FAM 412.4 Purchase Agreements

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

When authorized by the Bureau of Overseas Buildings Operations (OBO) or the Overseas Management Support Division in the Bureau for Management, USAID/Washington (USAID/W - M/OMS), to purchase real property, the post shall prepare a written agreement that may consist of a contract of sale or, subject to local law, an option to purchase on stated terms. All such agreements must be reviewed and approved by OBO or USAID/W (M/OMS) prior to execution.

15 FAM 412.4-1 Required Provisions for Purchase Agreements

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

Whether arising out of a formal contract of sale or out of an option and exercise of the option, the purchase agreement must conform to the requirements stated in 15 FAM 442.

15 FAM 412.4-2 Special Rights

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

- a. If a stream of water runs through the property, the post must investigate the water rights and obtain the legal right to the permanent flow of water. If necessary and useful in the local law, the post should obtain written confirmation from local authorities that the property will not be subject to the extension of any streets through, or encroachments upon, the property after its purchase.

- b. Any other special rights should be conveyed by the deed or other instrument, simultaneously with the transfer of title.

15 FAM 412.4-3 Payment

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

- a. The purchase price and the fees for any other incidental expenses, such as payment for water rights, shall be paid at the time of the transfer of title unless otherwise authorized by the Bureau of Overseas Buildings Operations (OBO) or the Overseas Management Support Division in the Bureau for Management, USAID/Washington (USAID/W - M/OMS).
- b. Offshore payments for the acquisition of real property require a waiver from OBO.

15 FAM 412.4-4 Acquisitions by Gift

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

Real property, improvements to real property, furniture, furnishings, equipment, stocks, bonds, or other valuables offered to the U.S. Government for the purpose of supporting the U.S. Government's foreign buildings and properties program must be reported and may not be accepted by the post without approval as outlined in 15 FAM 443.3.

15 FAM 412.5 Documents and Records

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

Documents and records relating to acquisitions of real property must be maintained and/or submitted to the Bureau of Overseas Buildings Operations (OBO) by post as provided in the detailed procedures of 15 FAM 450.

15 FAM 413 THROUGH 419 UNASSIGNED